THE TOBACCO INSTITUTE, INC.

1776 K STREET, NORTHWEST I WASHINGTON, D. C. 20006 J 202/296-843.

HORACE R. KORNEGAY

RECEIVED

APR 1 7 1974

F. E. RESNIK M E M O R A N D U M

TO:

Committee of Counsel

FM:

Horace R. Kornegay

Gentlemen:

As you will recall, the pick-up of cigarettes in the last two Commission market tests was conducted by Dale System, Inc., pursuant to an agreement with the Commission, and Dale picked up an identical sample for the TITL. Since Dale's contract with the Commission only covered two market pick-ups and since that contract has been completed, the Commission invited bids for the pick-up of the next two market samples. Bids were received from a number of firms, and the Commission has decided to accept the lowest bid, which was submitted by the California Business Development Council, which is a private firm located in San Francisco. Conway B. Jones, Jr., is the president of that organization.

Allan Topol has communicated with Mr. Jones and he has agreed to a pick-up of cigarettes for TITL identical to that reached by the Commission. We expect the agreement with the California Business Development Council to follow exactly the same form as our agreement with Dale, a copy of which is attached for your information.

Sincerely yours,

Horace R. Kornegay

HRK:pc Attachment